

As opioid overdose death rates climb, South Carolina lags behind other states in funding treatment

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Assessing South Carolina's funding for substance use disorder treatment

- Compared with other states in the South Atlantic region and nationally, South Carolina spends less per capita on substance use disorders.
- Compared with national and South Atlantic region average budgets for substance use disorder treatment, South Carolina is more reliant on short-term federal dollars.
- Compared with other states, South Carolina has fewer funds available for crucial services, including residential treatment, crisis management, and wrap-around support services that have been shown to prevent relapse and provide strong support for lasting recovery.

Strengthening South Carolina's vulnerable SUD financing system

- As temporary federal funding initiatives end, South Carolina will be even more disadvantaged in its ability to reverse the upward spiral of overdose deaths.
- To bridge this funding gap, the Legislature should increase its allocation for treatment of substance use disorders, apportioning new funds for treatment and prevention.
- A comprehensive needs assessment should be conducted to identify resources that are required to reduce South Carolina's crisis of opioid-related mortality.

Covid-19's impact on the worsening opioid crisis in South Carolina

Drug overdose deaths increased steadily nationwide over the period 2014-2019, caused in great part by the growing street availability of fentanyl, a highly addictive form of synthetic opioid. More than 1,100 South Carolina residents (about 22 in 100,000) died of unintentional drug overdose in 2019, a number that has risen by one-third since 2015. In the wake of 2020 pandemic social isolation and the partial closure of many SUD treatment facilities, U.S. opioid-involved death rates jumped by an estimated 30%. **In 2020, South Carolina's overdose death rate is estimated to have risen by more than 45%--the fourth largest increase in overdose deaths among all U.S. states.** Drug overdose is now a leading cause of death among teens and adults under age 45.

Study method and results

The purpose of this policy brief is to summarize a comprehensive analysis of South Carolina's current financing for SUD treatment and prevention for uninsured residents, undertaken at the request of the Department of Alcohol and Other Drug Abuse Services. Our team conducted an extensive review of financing for Single State Agencies (SSAs) responsible for administering programs for uninsured individuals with SUD, using data from Substance Abuse and Mental Health Services Administration Web-Based Grant Application System (SAMHSA WEBGAs) as well as data from a nationally representative survey of SSAs in all 50 states and the District of Columbia.

The findings of this 2020 data review indicate that South Carolina is at a severe financial disadvantage compared to other SSAs in the United States. A weak financial position relative to other states means that South Carolina is more reliant on short-term federal initiatives like the State Opioid Response program to provide life saving treatment to individuals with opioid use disorder.

Less treatment. South Carolina spends less per capita on substance use disorder treatment than nearly any other state in the country: \$2.81 per capita, compared to an average of \$8.75 in all states and an average of \$8.89 in other states of the South Atlantic region. Adjusting for differences in prevalence of substance use disorder across the states does not erase this disparity. There are no states in the South Atlantic region that spend less per capita on substance use disorder treatment than South Carolina. Nationally, the state ranks 45th in overall spending for treatment.

Less access. Lack of adequate funding for substance use disorder treatment in South Carolina has resulted in restricted access to residential treatment—particularly for the uninsured. This tends to funnel patients into short-term services with lower probability of preventing relapse. Most other states use over 10% of their total budget for residential treatment and community-based recovery support, which are required components of the evidence-based continuum of care established by the American Society for Addiction Medicine. In contrast, South Carolina must devote two-thirds of its limited budget to detoxification and outpatient treatment. The funding gap is particularly significant because national trends indicate that Federally-Qualified Health Centers (FQHCs) are experiencing a large increase in patients requiring treatment for substance use disorder. Only about 25% of South Carolina’s FQHCs are equipped to treat these patients.

Recommendations: South Carolina must act to stabilize its SUD financing system

- 1. Increase state-specific funds for treatment.** The South Carolina General Assembly should consider significant and long-term investments in substance use disorder services.
- 2. Dedicate funds for prevention and treatment.** The South Carolina Legislature should bolster support for the public substance use disorder system to ensure prevention and treatment access for any South Carolinian.
- 3. Identify funding gaps.** The state should initiate a comprehensive needs assessment that can inform budget decisions, ensuring that South Carolina has the substance use disorder treatment resources required to respond to the state’s crisis of opioid-related mortality.

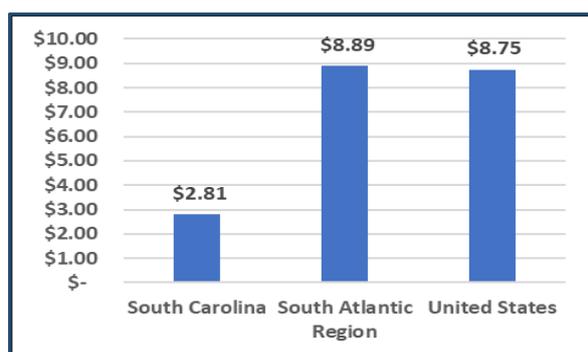


Figure 1. Substance use disorder funding from state sources per capita, 2020

Comparative Single State Agency (SSA) data: South Carolina vs U.S. Census South Atlantic Division (DE, FL, GA, MD, NC, SC, VA, WV) vs United States.

Sources: United States Census Bureau, 2020; Substance Abuse and Mental Health Services Administration Web-Based Grant Application

Sources: (1) Substance Abuse and Mental Health Services Administration Web-Based Grant Application System, 2020. (2) “Drug Overdose Deaths, South Carolina 2019,” South Carolina Department of Health and Environmental Control, 2020. [2019_South_Carolina_Drug_Overdose_Deaths.pdf \(scdhec.gov\)](https://www.scdhec.gov) (3) Provisional Drug Overdose Death Counts, Vital Statistics Rapid Release, National Center for Health Statistics, Centers for Disease Control and Prevention <https://www.cdc.gov/nchs/nvss/vsrr/drug-overdose-data.htm> (4) “Resident population for the 50 states, the District of Columbia, and Puerto Rico, 2020 census”, U.S. Census Bureau. <https://www2.census.gov/programs-surveys/decennial/2020/data/apportionment/apportionment-2020-table02.pdf>. **Acknowledgement:** Development of this policy brief was funded by a grant from the South Carolina Department of Drug, Alcohol, and Other Addiction Services. For more information, please contact Christina Andrews, Principal Investigator, candrews@mailbox.sc.edu.

A portrait of South Carolina’s financing system for substance use disorder

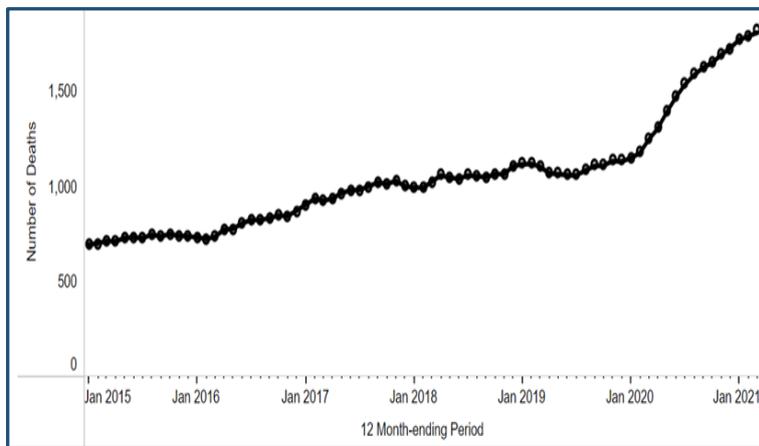


Figure 2: Opioid overdose deaths in South Carolina 2015-2021. Opioid-related death rates have increased steadily since 2014 but jumped by more than 45% in South Carolina during the first 12 months of the COVID-19 pandemic. Nationally, deaths increased by slightly more than 30%.¹

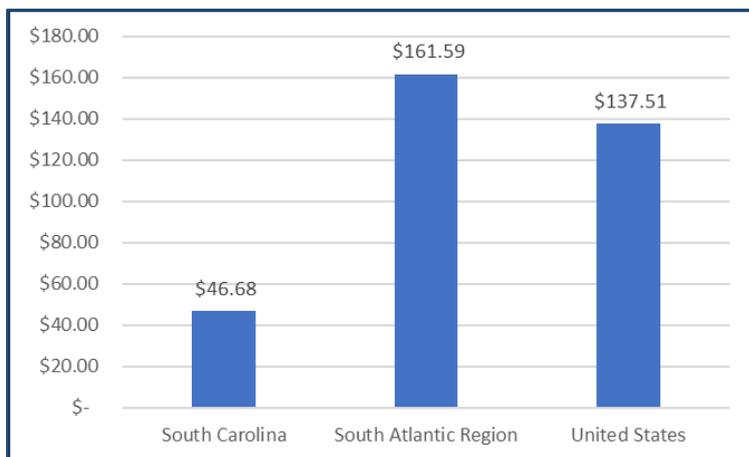
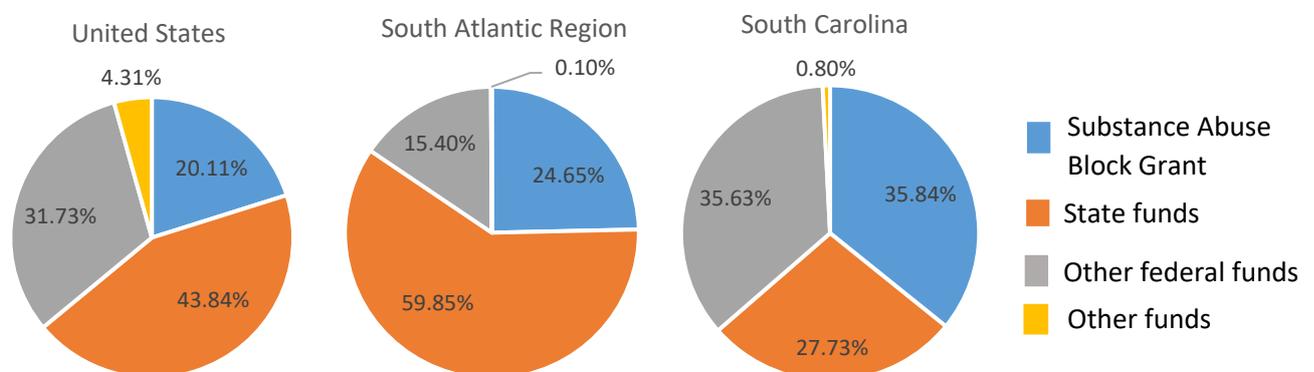


Figure 3: Per capita spending for individuals ages 12+ with a substance use disorder. South Carolina roughly 28% of the regional average and slightly less than 34% of the national average to care for its residents with substance use disorders.²

Figure 4: Percent of funding from Substance Abuse Block Grant (SABG), state funds, other federal funds. Compared with other states both regionally and nationally, South Carolina is more dependent on short-term federal funding initiatives to support substance use disorder treatment.²



Sources: (1) Provisional Drug Overdose Death Counts, Vital Statistics Rapid Release, National Center for Health Statistics, Centers for Disease Control and Prevention <https://www.cdc.gov/nchs/nvss/vsrr/drug-overdose-data.htm> (2) Substance Abuse and Mental Health Services Administration Web-Based Grant Application System, 2020.